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EX PARTE OR LATE FILED

September 23, 1998

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
1919 M Street, NW, Room 222  
Washington, D.C. 20554

RECEIVED  
SEP 23 1998  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

RE: Ex Parte Meeting  
Petition of MCI for Declaratory Ruling That New Entrants Need Not Obtain  
Separate License or Right-to-Use Agreements Before Purchasing Unbundled  
Elements, CC Docket No. 96-98, CCBPol 97-4

Dear Ms. Roman Salas:

On Monday September 14, 1998, Len Cali, Betsy Brady, Steve Garavito, and I of AT&T and Mark Haddad of Sidley & Austin met with Kathryn C. Brown, Chief of the Common Carrier Bureau, Yog Varma, Deputy Chief of the Common Carrier Bureau, and Claudia Pabo of the Common Carrier Bureau's Policy and Program Planning Division. The purpose of that meeting was to discuss AT&T's views in the docket titled Second Application by BellSouth Telecommunications, Inc. and BellSouth Long Distance, Inc. for Provisioning of In-Region, interLATA Service in Louisiana, CC Docket No. 98-121. During the course of that meeting, AT&T discussed its view that the Commission should address the intellectual property licensing issues raised by the Louisiana application. The views expressed by AT&T at this meeting were consistent with its written comments on file at the Commission in both of the above-referenced dockets. Attached is a copy of the outline of the presentation distributed during the meeting. While AT&T timely filed an Ex Parte notice in the BellSouth Louisiana application proceeding, a notice in this docket was inadvertently omitted. This filing is intended to correct the record.

Two copies of this Notice are being submitted to the secretary of the FCC in accordance with Section 1.1206(a)(2) of the Commission's rules.

Sincerely,

Attachments

cc: K. Brown  
C. Pabo Y. Varma

No. of Copies rec'd 04  
List A B C D E

# BellSouth Louisiana's Second Section 271 Application

September 14, 1998



# BellSouth Policies Have Inhibited Local Competition

- No Meaningful Opportunity for UNE-Based Entry
  - Initially, blanketly refused to provide UNE combinations.
  - Now, requires collocation to obtain UNE combinations.
  - Continuing inability to provide unbundled switching.
  - Discriminatory access to embedded intellectual property.
- Obstacles to Facilities-Based Entry
  - Interconnection, number portability and directory listing difficulties.



# BellSouth Policies Have Inhibited Local Competition

- Obstacles to Resale-Based Entry
  - Until recently, refused to provide contracts at wholesale discount and still prohibits aggregation and imposes other unlawful restrictions.
- OSS Obstacles Which Apply to All Entry Methods
  - Refusal to cooperatively design/implement changes to OSS interfaces and to provide information and upgrades needed for non-discriminatory access.



# BellSouth's Collocation Requirement Is Discriminatory And Precludes Meaningful Competition

- BellSouth is required to provide access to UNEs at any technically feasible point, not a single point of BellSouth's choosing.
- Requiring manual recombination of elements creates prohibitive barriers to entry and will gate commercial entry.
- In all events, the terms and conditions of BellSouth's collocation proposal are incomplete and non-binding.



# BellSouth's Collocation Requirement Is Discriminatory And Precludes Meaningful Competition

- Collocation Requires That Customers Lose Service.
- Collocation Introduces Unacceptable Risks of Degraded Service Due to Human Error.
- Delays In Obtaining Collocation Space Will Deter Mass Market Entry By Competitors.
- Collocation's Purely Manual Processes Will Limit Number of Customer Cutovers.
- Collocation Will Redline Customers Provisioned by BellSouth Via IDLC or Remote Switching Equipment.



## BellSouth Limits Access to UNEs With Embedded Intellectual Property

- Shifting Burden to CLECs to Negotiate IP Rights With ILEC-Selected Vendors Is Discriminatory.
  - Forces rivals to pay higher, duplicative costs.
  - Increases uncertainty and delay.



# OSS Deficiencies

- BellSouth Has Still Not “Fixed” Numerous OSS Problems Previously Identified By the Commission
  - Inadequate flow-through.
  - No electronic service jeopardy notices.
  - Manually generated, delayed rejection notices.
  - No calculated due dates.
- Additional OSS Problems Persist.
  - Still No Up-To-Date, Complete Business Rules
  - Inadequate Change Management Procedure





## OSS Deficiencies

- Internal Testing Is Inadequate

- Untested by Reasonable Commercial Usage
- Even Limited commercial usage reveals discriminating access
- BellSouth's checklist noncompliance blocks mass-market entry
- BellSouth's internal testing was limited, undocumented, and unsupervised



## In Addition, New Problems Have Arisen

- When AT&T Entered Market With AT&T Digital Link Service In June 1998
  - Unable to Place Orders to Port Numbers for Partial Migrations.
  - Unable to Obtain Complex Directory Listings
  - Unable to Place Disconnect Orders.
  - BS Unable to Process Orders Using AT&T-Assigned Telephone Numbers.
  - Unable Properly to Implement Routing for AT&T Customers



# BellSouth Does Not Provide Even The Performance Data Contained In Its Plan

- BellSouth has not yet provided data for many measurements:
  - Average Time to Return Completion Notices
  - Average Time to Return Jeopardy Notices
  - Percentage of Orders Given Jeopardy Notices
  - Number of Service Requests per Order
  - Average Time for Coordinated Customer Conversions
  - Unbundled Network Element Combinations Measurements
  - Collocation Measurements
  - Provisioning Order Accuracy
  - Pre-Ordering Response Times (EC-Lite Interface, Rejections for all interfaces)

*"Commercially reasonable" points*

*Performance measures docket*  
*AT&T*  
*AT&T Petition*  
*proposal*

# BellSouth Refuses To Provide Comparative Data Necessary to Demonstrate Parity

- BellSouth will not provide comparative data for many measurements:
  - Average Time to Return Completion Notices
  - Average Time to Return Jeopardy Notices
  - Percentage of Orders Given Jeopardy Notices
  - Firm Order Confirmation Timeliness
  - Timeliness of Order Rejections
  - Percent Rejected Service Requests
  - Average Time for Coordinated Customer Conversions
  - Unbundled Network Element Measurements
  - Unbundled Network Element Combinations Measurements
  - Collocation Measurements
  - Provisioning Order Accuracy



## BellSouth's Data Shows Discrimination

- For many measurements, BellSouth's performance for CLECs was substantially worse than for its own operations.
  - Pre-Ordering Response Time
  - Firm Order Confirmation Timeliness
  - Timeliness of Order Rejections
  - Percent Order Flow Through
  - Speed of Answer in Ordering Center
  - Average Order Completion Intervals
  - Billing Usage Record Timeliness
  - Percent Missed Installation Appointments
  - Percent Installation Troubles Within 30 Days
  - Provisioning Order Accuracy
  - Percent Out of Service Over 24 Hours



## BellSouth's Proposed Measurement Plan is Inadequate

- La.PSC recently acknowledged that BellSouth's proposed measures have important shortcomings.
- BellSouth's measurements are not defined properly.
- BellSouth's measurements are not sufficiently disaggregated.
- BellSouth has not presented any methodology for determining when differences between its level of performance for CLECs and for itself represent nondiscriminatory performance. Nor has BellSouth provided the information that would enable others to make that determination in a statistically correct manner.
- BellSouth's performance measurement plan contains no provision for ongoing compliance enforcement.



# BellSouth Has Not Demonstrated Compliance With Section 272

- Has not adequately disclosed affiliate transactions
- Has provided preferential treatment to BSLD.
  - Term of collocation agreement.
- Proposed joint marketing conflicts with equal access obligations.
- Sharing of BOC customer information conflicts with Section 272.

